

HOUSE BILL No. 5437

November 8, 2007, Introduced by Rep. Tobocman and referred to the Committee on Intergovernmental, Urban and Regional Affairs.

A bill to amend 1893 PA 206, entitled
"The general property tax act,"
(MCL 211.1 to 211.157) by adding section 7ll.

THE PEOPLE OF THE STATE OF MICHIGAN ENACT:

1 SEC. 7ll. (1) BEGINNING DECEMBER 31, 2007, SUPPORTIVE HOUSING
2 PROPERTY IS EXEMPT FROM THE COLLECTION OF TAXES UNDER THIS ACT IF
3 AN OWNER OF THAT SUPPORTIVE HOUSING PROPERTY CLAIMS AN EXEMPTION AS
4 PROVIDED IN THIS SECTION. SUPPORTIVE HOUSING PROPERTY EXEMPT UNDER
5 THIS SECTION IS SUBJECT TO THE SPECIFIC TAX LEVIED UNDER THE
6 SUPPORTIVE HOUSING PROPERTY SPECIFIC TAX ACT.

7 (2) AN OWNER OF SUPPORTIVE HOUSING PROPERTY MAY CLAIM AN

1 EXEMPTION UNDER THIS SECTION BY FILING AN AFFIDAVIT ON OR BEFORE
2 DECEMBER 31 WITH THE LOCAL TAX COLLECTING UNIT IN WHICH THE
3 SUPPORTIVE HOUSING PROPERTY IS LOCATED. THE AFFIDAVIT SHALL STATE
4 THAT THE PROPERTY IS OWNED AND OCCUPIED AS SUPPORTIVE HOUSING
5 PROPERTY ON THE DATE THAT THE AFFIDAVIT IS SIGNED. THE AFFIDAVIT
6 SHALL BE ON A FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. ONE
7 COPY OF THE AFFIDAVIT SHALL BE RETAINED BY THE OWNER, 1 COPY SHALL
8 BE RETAINED BY THE LOCAL TAX COLLECTING UNIT UNTIL ANY APPEAL OR
9 AUDIT PERIOD UNDER THIS ACT HAS EXPIRED, AND 1 COPY SHALL BE
10 FORWARDED TO THE DEPARTMENT OF TREASURY.

11 (3) UPON RECEIPT OF AN AFFIDAVIT FILED UNDER SUBSECTION (2)
12 AND UNLESS THE CLAIM IS DENIED UNDER THIS SECTION, THE ASSESSOR
13 SHALL EXEMPT THE SUPPORTIVE HOUSING PROPERTY FROM THE COLLECTION OF
14 TAXES UNDER THIS ACT UNTIL DECEMBER 31 OF THE YEAR IN WHICH THE
15 PROPERTY IS NO LONGER SUPPORTIVE HOUSING PROPERTY.

16 (4) NOT MORE THAN 90 DAYS AFTER EXEMPTED PROPERTY IS NO LONGER
17 SUPPORTIVE HOUSING PROPERTY, AN OWNER SHALL RESCIND THE CLAIM OF
18 EXEMPTION BY FILING WITH THE LOCAL TAX COLLECTING UNIT A RESCISSION
19 FORM PRESCRIBED BY THE DEPARTMENT OF TREASURY. AN OWNER WHO FAILS
20 TO FILE A RESCISSION AS REQUIRED BY THIS SUBSECTION IS SUBJECT TO A
21 PENALTY OF \$5.00 PER DAY FOR EACH SEPARATE FAILURE BEGINNING AFTER
22 THE 90 DAYS HAVE ELAPSED, UP TO A MAXIMUM OF \$200.00. THIS PENALTY
23 SHALL BE COLLECTED UNDER 1941 PA 122, MCL 205.1 TO 205.31, AND
24 SHALL BE DEPOSITED IN THE STATE SCHOOL AID FUND ESTABLISHED IN
25 SECTION 11 OF ARTICLE IX OF THE STATE CONSTITUTION OF 1963. THIS
26 PENALTY MAY BE WAIVED BY THE DEPARTMENT OF TREASURY.

27 (5) IF THE ASSESSOR OF THE LOCAL TAX COLLECTING UNIT BELIEVES

1 THAT THE PROPERTY FOR WHICH AN EXEMPTION IS CLAIMED IS NOT
2 SUPPORTIVE HOUSING PROPERTY, THE ASSESSOR MAY DENY A NEW OR
3 EXISTING CLAIM BY NOTIFYING THE OWNER AND THE DEPARTMENT OF
4 TREASURY IN WRITING OF THE REASON FOR THE DENIAL AND ADVISING THE
5 OWNER THAT THE DENIAL MAY BE APPEALED TO THE STATE TAX COMMISSION
6 WITHIN 35 DAYS AFTER THE DATE OF THE NOTICE. THE ASSESSOR MAY DENY
7 A CLAIM FOR EXEMPTION FOR THE CURRENT YEAR AND FOR THE 3
8 IMMEDIATELY PRECEDING CALENDAR YEARS. IF THE ASSESSOR DENIES AN
9 EXISTING CLAIM FOR EXEMPTION, THE ASSESSOR SHALL REMOVE THE
10 EXEMPTION OF THE PROPERTY AND, IF THE TAX ROLL IS IN THE LOCAL TAX
11 COLLECTING UNIT'S POSSESSION, AMEND THE TAX ROLL TO REFLECT THE
12 DENIAL AND THE LOCAL TREASURER SHALL WITHIN 30 DAYS OF THE DATE OF
13 THE DENIAL ISSUE A CORRECTED TAX BILL FOR ANY ADDITIONAL TAXES WITH
14 INTEREST AND PENALTIES COMPUTED FROM THE DATE THE TAXES WERE LAST
15 PAYABLE WITHOUT INTEREST OR PENALTY. IF THE TAX ROLL IS IN THE
16 COUNTY TREASURER'S POSSESSION, THE TAX ROLL SHALL BE AMENDED TO
17 REFLECT THE DENIAL AND THE COUNTY TREASURER SHALL WITHIN 30 DAYS OF
18 THE DATE OF THE DENIAL PREPARE AND SUBMIT A SUPPLEMENTAL TAX BILL
19 FOR ANY ADDITIONAL TAXES, TOGETHER WITH INTEREST AND PENALTIES
20 COMPUTED FROM THE DATE THE TAXES WERE LAST PAYABLE WITHOUT INTEREST
21 OR PENALTY. TAXES LEVIED IN A CORRECTED OR SUPPLEMENTAL TAX BILL
22 SHALL BE RETURNED AS DELINQUENT ON THE MARCH 1 IN THE YEAR
23 IMMEDIATELY SUCCEEDING THE YEAR IN WHICH THE CORRECTED OR
24 SUPPLEMENTAL TAX BILL IS ISSUED. HOWEVER, IF THE PROPERTY HAS BEEN
25 TRANSFERRED TO A BONA FIDE PURCHASER BEFORE ADDITIONAL TAXES WERE
26 BILLED TO THE SELLER AS A RESULT OF THE DENIAL OF A CLAIM FOR
27 EXEMPTION, THE TAXES, INTEREST, AND PENALTIES SHALL NOT BE A LIEN

1 ON THE PROPERTY AND SHALL NOT BE BILLED TO THE BONA FIDE PURCHASER,
2 AND THE LOCAL TAX COLLECTING UNIT IF THE LOCAL TAX COLLECTING UNIT
3 HAS POSSESSION OF THE TAX ROLL OR THE COUNTY TREASURER IF THE
4 COUNTY HAS POSSESSION OF THE TAX ROLL SHALL NOTIFY THE DEPARTMENT
5 OF TREASURY OF THE AMOUNT OF TAX DUE, INTEREST, AND PENALTIES
6 THROUGH THE DATE OF THAT NOTIFICATION. THE DEPARTMENT OF TREASURY
7 SHALL THEN ASSESS THE OWNER WHO CLAIMED THE EXEMPTION UNDER THIS
8 SECTION FOR THE TAX, INTEREST, AND PENALTIES ACCRUING AS A RESULT
9 OF THE DENIAL OF THE CLAIM FOR EXEMPTION, IF ANY, AS FOR UNPAID
10 TAXES PROVIDED UNDER 1941 PA 122, MCL 205.1 TO 205.31, AND SHALL
11 DEPOSIT ANY TAX, PENALTY, AND INTEREST COLLECTED INTO THE STATE
12 SCHOOL AID FUND. THE DENIAL SHALL BE MADE ON A FORM PRESCRIBED BY
13 THE DEPARTMENT OF TREASURY.

14 (6) THE DEPARTMENT OF TREASURY SHALL MAKE AVAILABLE THE
15 AFFIDAVIT FORMS AND THE FORMS TO RESCIND AN EXEMPTION, WHICH MAY BE
16 ON THE SAME FORM, TO ALL CITY AND TOWNSHIP ASSESSORS, COUNTY
17 EQUALIZATION OFFICERS, COUNTY REGISTERS OF DEEDS, AND CLOSING
18 AGENTS.

19 (7) AS USED IN THIS SECTION, "SUPPORTIVE HOUSING PROPERTY"
20 MEANS REAL PROPERTY CERTIFIED AS SUPPORTIVE HOUSING PROPERTY UNDER
21 CHAPTER 3B OF THE STATE HOUSING DEVELOPMENT AUTHORITY ACT OF 1966,
22 1966 PA 346, MCL 125.1459 TO 125.1459B.

23 Enacting section 1. This amendatory act does not take effect
24 unless all of the following bills of the 94th Legislature are
25 enacted into law:

26 (a) Senate Bill No. ____ or House Bill No. 5438(request no.
27 00884'07 a).

1 (b) Senate Bill No. _____ or House Bill No. 5439 (request no.
2 00884'07 b) .